



Title: I, Payroll/Personnel Manual

Chapter:

Bulletin: Title I, 08-3, Compensatory Times Changes Effective in Pay Period 1

Date: January 17, 2008

To: Holders of the Payroll/Personnel Manual

In an effort to consolidate policies government wide, time limits for using earned compensatory time off in lieu of overtime pay were standardized for both employees covered by the Fair Labor Standards Act (FLSA) under Title 5 and employees not covered by FLSA. These regulations were enacted by the Office of Personnel Management (OPM) and became effective on May 14, 2007.

Based upon these regulations, the following changes are being made to the National Finance Center (NFC) Payroll/Personnel System and are effective in Pay Period 1, 2008.

#### Agencies Following Title 5 Regulations

- Any compensatory leave that was not used prior to the regulatory changes (Pay Periods 1 through 9, 2007), will be placed in the **Prior Yr Balance** field in the Information/Research Inquiry System (IRIS) Program IR139, Compensatory Leave & Rate, and will expire 3 years (grandfather period) after the effective date.
  - For agencies that historically were able to use prior year compensatory time, this field will contain compensatory time earned in Pay Period 1, 2006, through Pay Period 9, 2007 (grandfathered compensatory time).
  - For agencies that historically were not able to use prior year compensatory time, this field will contain compensatory time earned in Pay Periods 1 through 9, 2007 (grandfathered compensatory time).
- The compensatory time that was earned in Pay Periods 10 through 26, 2007, will be placed in the **Total Current Balance** field and will expire 26 pay periods after it was earned. Any compensatory time earned in 2008 will also be added to this field.
- Any compensatory hours used will reduce the balance in either the **Total Current Balance** field or the **Prior Yr Balance** field by those hours that will expire soonest, based upon a systematic determination.
- When paid via a lump sum payout, the compensatory time that has either already expired or will expire soonest will be paid out first and will continue to be paid at the rate at which it was earned.

**Agencies Not Following Title 5 Regulations**

- The *Total Current Balance*, *Prior Yr Balance*, and *Prior Yr 2 Balance* fields in IRIS Program IR139 will continue to be utilized as they are now. The *Total Current Balance* field will contain the number of compensatory time hours earned starting in Pay Period 1, 2008.
- For most agencies, the *Prior Yr Balance* field will contain any compensatory time earned in 2007. Any existing agency specific systematic rules for prior year compensatory time will remain in place. The *Prior Yr 2 Balance* field will continue to contain compensatory time that cannot be used but can be paid.
- Any compensatory time hours used will continue to reduce either the *Total Current Balance* or *Prior Yr Balance* field, as is currently done.

**Note:** The changes identified in this bulletin apply only to Transaction Code 64, Compensatory Leave. Compensatory time for religious observance and compensatory time for travel are not affected by these changes.

For more information concerning OPM changes to compensatory time refer to Bulletin TNAINST 07-1, OPM Changes, dated May 29, 2007.

Please refer questions about compensatory time to the Payroll/Personnel Call Center at **504-255-4630**.



MARK J. HAZUDA, Director  
Government Employees Services Division